



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

July 14, 2004

H.R. 1587 **Vietnam Human Rights Act of 2004**

*As ordered reported by the House Committee on International Relations
on June 24, 2004*

SUMMARY

H.R. 1587 would authorize funding for programs to promote human rights and democratic change in Vietnam and to overcome the jamming of Radio Free Asia broadcasting by the government of Vietnam. The bill also would encourage the State Department to establish a liberal resettlement policy for nationals of Vietnam facing continuing persecution. CBO estimates that implementing the bill would cost about \$15 million over the 2005-2009 period, assuming appropriation of the authorized amounts. Enacting the bill would not affect direct spending or receipts.

H.R. 1587 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 1587 is shown in the following table. For this estimate, CBO assumes that the authorized amounts will be appropriated near the start of each fiscal year and that outlays will follow historical spending patterns. The costs of this legislation fall within budget function 150 (international affairs).

	By Fiscal Year, in Millions of Dollars					
	2004	2005	2006	2007	2008	2009
SPENDING SUBJECT TO APPROPRIATION						
Spending Under Current Law for Assistance and Broadcasting to Vietnam						
Budget Authority ^a	13	0	0	0	0	0
Estimated Outlays	12	10	5	2	1	1
Proposed Changes						
Estimated Authorization Level	0	11	3	0	0	0
Estimated Outlays	0	4	5	4	1	0
Spending Under H.R. 1587 for Assistance and Broadcasting to Vietnam						
Estimated Authorization Level ^a	13	11	3	0	0	0
Estimated Outlays	12	14	10	6	2	1

a. The 2004 level is the amount appropriated for that year.

BASIS OF ESTIMATE

The United States is providing about \$12 million in bilateral assistance to Vietnam in 2004 for technical assistance to reform trade and investment regimes, for assistance to vulnerable groups, and for clearing land mines. Section 101 would limit bilateral assistance to the government of Vietnam to no more than the level funded in 2004 unless the President certifies that the government of Vietnam is making substantial progress with respect to protecting human rights and religious freedom, including the release of political and religious prisoners and controlling the trafficking of persons. The President may waive the restrictions and they would not apply to programs that provide food, medicine, disaster relief, or refugee assistance. Because the limitation would neither authorize nor prohibit funding, CBO estimates that implementing this provision would not affect federal spending.

Section 201 would authorize the appropriation of \$2 million a year in 2005 and 2006 for programs to promote human rights and nonviolent change in Vietnam. CBO estimates that provision would increase spending by \$4 million over the 2005-2009 period, assuming the appropriation of the authorized amounts.

Section 301 would authorize the appropriation of \$9.1 million in 2005 and \$1.1 million in 2006 for measures to overcome the jamming of Radio Free Asia by the government of Vietnam. The Board of Governors allocated \$1.3 million in 2004 for Vietnamese broadcasting through Radio Free Asia in 2004. The authorized amounts would be in addition to amounts otherwise authorized for grants to Radio Free Asia. CBO assumes that \$8 million of the amount authorized for 2005 would be used for capital improvements. In total, CBO estimates that implementing the provision would increase spending by \$10 million over the 2005-2009 period, assuming the appropriation of the authorized amounts.

Section 401 would authorize such sums as may be necessary in 2005, 2006, and 2007 for the protection of refugees and asylum seekers from Vietnam in Cambodia. Based on information from the Department of State, CBO estimates the costs of implementing this provision would be less than \$500,000 in each year, subject to the availability of appropriated funds.

Section 401 also would state that it is United States' policy to offer refugee resettlement for nationals of Vietnam who were eligible for certain refugee programs but were deemed ineligible due to administrative error or who were unable to apply by the State Department deadline for reasons beyond their control. This policy statement would not change current law since the State Department has the discretion to reopen these cases. It is unclear whether enactment of H.R. 1587 would affect the department's use of its discretion in this area. CBO estimates that enacting H.R. 1587 would not have any significant impact on direct spending for public benefits for refugees.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 1587 contains no intergovernmental or private-sector mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments.

ESTIMATE PREPARED BY:

Federal Costs: Joseph C. Whitehill

Impact on State, Local, and Tribal Governments: Melissa Merrell

Impact on the Private Sector: Selena Caldera

ESTIMATE APPROVED BY:

Peter H. Fontaine

Deputy Assistant Director for Budget Analysis